# Japan Inc., meet Inman Inc.



Lars-Erik Nelson

ASHINGTON—Navy codebreakers turned the tide of the war in the Pacific during the Battle of Midway 40 years

the Battle of Midway 40 years ago, so it is an ironic coincidence that we have chosen a Navy codebreaker to lead us into a new battle with Japan—this time to try maintain America's technological supremacy in computers.

Tall, gangly and boyish—with a gap between his front teeth and his blackframe eyeglasses permanently

askew—Bobby Ray Inman hardly looks like America's most secret weapon. But he used to head the National Security Agency, which intercepts, decodes and stores the communications of our enemies—as well as our friends, ourselves and anybody else who tries to use a telephone or a radio.

Inman retired last year as deputy director of Central Intelligence to head a computer-research project called the Microelectronics and Computer Technology Corp. It proposes to pool the research and development efforts of 12 of America's leading computer companies.

The object is to beat a \$200 million Japanese project to develop a new generation of super-computers, 1,000 times faster than current models. Such computers could hold an intelligent conversation ("Hi What's your sign? Do you come here often?"), read your mail and tell you what's important, write your letters, listen to your thoughts and put them into grammatical English, read and summarize books, diagnose your illnesses on the basis of your complaints and—by the way—probably provide the brainpower for advanced ballistic-missile defense systems like President Reagan's Star Wars dream.

Inman's project has raised eyebrows at the Department of Justice, which suggests that pooling of research by 12 normally competitive corporations could violate the anti-trust statutes. "The Justice Department has given us an amber light," says William Shaffer, a spokesman for MCC. "It has said 'we won't prosecute you now, but that doesn't mean we won't prosecute you later."

MCC defenders—including congressmen willing to rewrite the anti-trust laws to accommodate the project—say the pooling is necessary to match government directed and subsidized computer efforts in Japan and West Europe. MCC is also a way of breaking out of the handcuffs placed on the 12 sponsoring corporations by bucks-hungry stockholders who don't want to spend on

long-term research.

"The old ways won't work," William C. Norris, chairman of Control Data Corp., an MCC sponsor, wrote in Business Week. "The rising cost of innovation, investor pressure for immediate earnings and executive bonuses keyed primarily to annual performance have unfortunately caused most large corporations to avoid such undertakings."

Enter Adm. Inman. He is admirably equipped for the job. The history of computers is inextricably tied up with codebreaking. The world's first electronic computer was the Bronze Goddess, set up in Bletchley Park, north of London, early in World War II to break the Luftwaffe's codes.

Its existence was such a secret that, according to legend, Winston Churchill refused to order the evacuation of the city of Coventry before a devastating air raid because it might have tipped the Germans off that their codes were being broken.

Ten years later, in 1952, the world's most sophisticated computer was Abner, owned by the U.S. Army Security Agency, to break codes. In 1957, the Defense Department brought together Sperry Rand, RCA, IBM, Philco, General Electric and three universities for Project Lightning—which produced a yet more sophisticated computer to break codes.

T THE NSA, Inman presided over 11 acres of computers—the NSA measures its computers in acres—including the CRAY-1, at the time the most sophisticated and expensive calculating machine in the world.

MCC will draw scientists from all 12 of its sponsoring firms, concentrate on basic research and then make its results available to its sponsors and anyone else who is willing to pay for it. Although the Justice Department worries about the anti-trust laws, MCC will be competing with Bell Laboratories and with IBM, both of which are outside the consortium and seeking their own ways into the future.

None of this is necessarily good news. Sure, it's nice to have the world's biggest and best computers. But you have to worry when you have computers so smart that they can design and repair each other and talk to each other.

Suppose the world's smartest computer looked out upon the globe, assessed the balance of forces with the Soviet Union, analyzed likely political, economic and military trends—and ordered you to go to war. What could you say? "Gee, I don't know. It doesn't seem right to me. But we've got to trust the computer. It has all the facts. It's much smarter than we are."

What would we call such a computer? I propose "Nixon."

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15 April 1983

## U.S. Cables Reportedly Tie Salvador Right to Slaying

STATINTL

By LAURIE BECKLUND, Times Staff Writer

The U.S. State Department received "highly reliable" information more than two years ago that Salvadoran rightist leader Roberto D'Aubuisson and about a dozen active-duty security force officers drew lots for the right to plan the assassination of the late Archbishop Oscar Arnulfo Romero in March. 1980, according to well-placed U.S. officials.

The officials, who were interviewed on the condition that they not be identified, said the information indicated that D'Aubuisson presided over the meeting, and the officers present considered the task an honor—"a privilege," was the term one source used-because they believed Romero was a threat to El Salvador's national security.

U.S. officials said that information about the unsolved assassination was contained in two secret State Department cables written by U.S. Embassy officers in San Salvador in late 1980 and 1981.

They declined to identify the source of the information. But each said the cables presented convincing evidence to back up longstanding allegations of D'Aubuisson's involvement in the assassination. Two sources described the information as "highly reliable."

The sources, three well-placed U.S. officials who said they have seen the cabled information, said the second dispatch contains the name of a man believed to have been the killer. He is a former national guardsman who has since been killed.

Describing the information in the first cable, one of the officials said, "It was seen as a great thing to kill Romero. Like the only fair way of doing it was by lots-the excitement, you know, the honor and

privilege of killing Romero."

Romero was fatally shot as he said Mass in a hospital chapel on March 24, 1980. His assassination was by far the rhost politically significant of all the 40,000 killings in El Salvador's 31/2-year ovil war. The archbishop was an outspoken critic of government repression.

Robert E. White, former U.S. ambassador to El Salvador, confirmed in an interview this week that a cable was sent to Washington late in 1980 which, he said, reported that D'Aubuisson had bulled together a group of people" to conspire to murder the archbishop.

White said the cable was sent shortly before he was withdrawn from his post by incoming President Reagan in early 1981. He said he was unaware what, if any, additional information on the alleged meeting was reported later.

'it was the beginning, it seemed to me, of the building of the case or cases on vholence regarding D'Aubuisson," he said. "It was really the first thing that confirmed what we already knew but couldn't prove.

D'Aubuisson has repeatedly denied any involvement in the slaying.

### Little 'Hard Evidence'

However, the State Department said last week that the allegations of D'Aubuisson's involvement in the Romero slaying have not been substantiated" and that little "hard evidence" exists to link him to the case. The comments came in response to news that the Reagan Administration has reversed a policy of the Jiminy Carter Administration and granted D'Aubuisson a U.S. visa.

When asked Thursday about the cabes, a State Department official responded, "It is not our practice to discuss alleged classified material." The official later added, "I can also say that any information bearing on that case which might have been helpful for the finding of the perpetrators in the case would light immediately been passed on to the government of El Salvador, which has legal jurisdiction."

! The cabled information was described by one source as "golden nuggets" that, if properly mined, could not only resolve the fluestion of the archbishop's murder but shed light on El Salvador's notorious right-wing death squads as well.

However, the sources who disclosed the existence of the cables said they knew of no follow-up investigation in the case by either the State Department or the CIA.

"The Salvadoran people have to have the will to solve this case," said one of the U.S. officials, who has military expertise in the area. "Suppose we lined the case all up on a silver platter and handed it to them, would that do it?" he asked rhetorically. "Probably not. That's what we did in the cases of the American nuns and the labor consultants (slain in El Salvador) and those cases still aren't splved." iThe cables have caused a lot of

"wringing of hands and gnashing of teeth" in Washington, he said, because of the obvious foreign policy dilemma they pose for the United States.

D'Aubuisson, once a rightist renegade forced to flee El Salvador after the assassination of Romero, is now president of El Salvador's Constituent Assembly.

He heads a political party, Arena, that the State Department last week called a "key element" in presidential elections scheduled for December. D'Aubuisson may well be a presidential candidate.

#### CIA Role Criticized

The CIA, which has both the resources and the mandate to investigate information on violence by Salvadoran rightists to provide a firmer platform on which to hase U.S. policy, has not done so, according to a highly critical congressional report issued last September.

The 26-page report contended that U.S. intelligence agencies have displayed a "lack of sustained attention" to the assassination. Moreover, it said, the agencies have "virtually ignored" a series of documents that former Ambassador White and others say may be proof of D'Aubuisson's involvement in the Rom-

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# RADIO TV REPORTS, II

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FOR

PUBLIC AFFAIRS STAFF

PROGRAM The Today Show

STATION WRC-TV

NBC Network

DATE

April 14, 1983

7:00 A.M.

CITY Washington, D.C.

SUBJECT

Interview with Ralph McGehee

JANE PAULEY: Challenge, responsibility, diversity. That's what the CIA offers in a career, in a recent want ad in the New York Times, an ad, appropriately, that appeared in the classified section, because the Central Intelligence Agency is the employer with the enticing copy.

Ralph McGehee was a recruit some 32 years ago for the CIA, spent 25 years with the company, retired in 1977.

And now you've written a book which, to put it mildly, is critical.

RALPH MCGEHEE: Yes, very critical.

PAULEY: What happened to you?

MCGEHEE: Well, I found cut in about my l6th year that the CIA is not an intelligence agency; it is a covert action agency. As a covert action agency, its responsibility is to overthrow other governments. And misinformation is a major part of that covert action responsibility, and the American people are the primary target audience of its covert action job.

PAULEY: It took you 16 years to figure out that you were working for a spy organization?

MCGEHEE: For the first 16 years, I assumed it was an intelligence organization with some small, peripheral covert action responsibilities.

PAULEY: There's a subtle distinction there, maybe.

Maybe not so subtle. But what is it, between covert action and

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STATINTL

#### - WASHINGTON

Defense Secretary Caspar Weinberger Wednesday appointed five new members to the Defense Science board.

They include Elaine Bond, a Chase Manhattan Bank senior vice president; retired Adm. Bobby Ray Inman, former head of the National Security Council, former CIA deputy director and now chief-executive officer of MCC Corp.; Dr. Frederick Brooks Jr., a University of North Carolina computer science professor and department chairman; Vincent Cook, an IBM Corp. executive; andDr. Donald Hicks, a senior vice president of the Northrop Corp.

The board, chaired by Norman Augustine of Denver, Colo., president of Martin-Marietta Aerospace Corp., is the senior public sector advisory group in the Defense Department.

# Do Soviets control markets through eavesdropping?

By Vin McLennan Special to The Globe

When Ronald Reagan recently displayed an aerial photo of the huge Soviet electronic eavesdropping facility in Lourdes. Cuba, as an example of the Soviet military threat in this hemisphere, he described it as "acres and acres of antenna fields and intelligence monitors" – the largest facility of its kind in the world – 'targeted on key US military installations and sensitive activities."

Reagan said the 28 square-mile station, manned by 1500 Soviet technicians. That grown by more than 60 percent in size and capability during the past decade."

The oblique reference to American commerce and finance among other "sensitive activities" - is in line with current US policy of avoiding direct reference to Soviet eavesdropping on domestic US phone conversations, Yet, for at least five years, government and industry security specialists have assumed the Cuban base inter-·cepts all international voice and data messages that reach the US by satellite - as well as the larger portion of domestic long-distance telephone calls, since more than half are now relayed by satellite.

The Soviet Union may liave cashed in on this data. "Iffimity believe the Soviet Union has for many years manipulated a lot of commercial markets in the world commodities and other things," declared Raymond Tate, former deputy, director of the National Security Agency, our own American spy agency for electronic eavesdropping

That has nothing to do with national security in the military sense," said Tate, one-time chief cryptographer for the federal government. They have a significant cash-flow problem. How do you make money in a cash-flow problem? You can turn your intelligence system around and use it to get all sorts of data you can actually use in commercial ventures, et cetera.

The Harvard University Program on Information Resources Policy last fall published a report on communication problems and national security that quoted some startling admissions by Tate and this former boss at the National Security Agency, retired Adm. Bobby Ray Inman.

Inman said the United States doesn't really know "whether the Soviets have used any of the information they've acquired by electronic surveillance to manipulate markets." But, said Inman: "There were allegations at the time of the grain deal of 1974" — when deftly timed purchases of US grain by Soviet buyers guited the market and raised the price of American flour and bread — "and again during some pretty high-level Soviet activity in the sugar market."

"It is a fact that a lot of economic communications carrying that kind of information were probably accessible to them," said Inman, but he noted the many other sources of information in an open society. "They may well have used intelligence to manipulate those markets." he said. But, he added, there is, "no direct evidence."

The problem of Soviet eavesdropping on US telecommunications was first publicly acknowledged in the mid-1970s – but only safter a rebellion by the President's Foreign Intelligence Advisory Board, a panel of top corporate executives and civilian scientists.

"The subject was virtually taboo for discussion-even within the intelligence community" before the intelligence board got a secret briefing on it in 1974, recalled Lionel Olmer, director of international programs for Motorola inc. and former executive secretary for the iboard.

The civilian board members - who then included Polaroid's Edwin Land and MIT's James Lillian among others - reacted bitterly to an apparent "gentlemen's agreement" that allowed the KGB to eavesdrop on AT&T, while the National Security Agency listened to Soviet telecommunications

The American intelligence community was convinced it had to cover up for the Soviet spies to protect US electronic eavesdropping. The argument eventually focused on security technologies: computerized encryption systems and voice scramblers. If paranoid Americans began requiring such devices: paranoid foreigners would soon demand similar protections — which would greatly complicate the National Security Agency's mission.

"There was sufficient evidence to persuade the most reasonable of men that the government was not going to move on that issue," mused Motorola's Olmer. "It didn't want to move It didn't want to grapple with it.

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## Padlocking the laboratory

Scientists fear that the push for secrecy will inhibit the free exchange of ideas

The federal government's determination to block the flow of key U.S. technology to the Soviet Union threatens to hurt the future development of the very technologies the U.S. wants to keep out of foreign hands. Scientists are worried that tighter security not only will cut the flow of information to the Russians but also will seriously hamper the normal free exchange of ideas that drives all technology.

Pressure from Washington already is putting a crimp in communications among scientists. High-tech companies have become increasingly cautious about the technical papers they present at scientific meetings. And the current environment has dampened the willingness of many engineers and scientists to discuss their research with colleagues. The government "is dealing with the very nerve endings of American science," declares an official of one technical society that recently had authors at one of its conferences pull their papers because of government disapproval.

That official, like almost everyone affected by the clampdown, is reluctant to comment publicly on his concern. He does not even want his organization to be identified because, "if you name us, it could stop the flow of papers" to future technical conferences. Privately, however, many industry executives readily admit that the government push for secrecy is being felt in their research and development laboratories. "People are frightened, and they don't like to take risks," says one company technology specialist. Another research manager agrees: "My guys say, 'We've got to be very careful.' A lot of guys on Capitol Hill are against releasing technology." 'Restrict-only mode.' One of the rare officials from a technical society who is willing to speak openly is Oscar N. Garcia, president of the computer society of the

Institute of Electrical & Electronics En-

gineers. Garcia, who is also chairman of

the computer science department at the

University of South Florida, believes

that the climate of secrecy "is unquestionably having a chilling effect" on scientific communication in the U.S. As a result, he says, "companies are tightening up on their copyright and clearance

procedures."

Some Defense Dept. officials are "in the restrict-only mode," says retired Admiral Bobby R. Inman, former Deputy Director of the Central Intelligence Agency, meaning that they want to classify everything. It was Inman, now in private industry as president of Microelectronics & Computer Technology Corp., who first warned scientists of impending curbs on technical information in a 1982 speech before a meeting of the



Former CIA official Inman says the way to deal with leaks "is to stay out in front."

American Association for the Advancement of Science.

The academic community was quick to voice its outrage (BW-Oct. 18), but the response from industry has been slower in coming and is far less vocal. Now, however, industry's concern is deepening. "I think you're just seeing the first

stirrings," says Roland W. Schmitt, senior vice-president for corporate research and development at General Elec-

The first real shock waves rippled through industry's technical community last August when heavy-handed officials from the Defense Dept. forced the withdrawal of more than 100 scientific papers at a San Diego meeting of the Society of Photo-optical Instrumentation Engineers. That was just the beginning. Defense Dept. officials have since "persuaded" researchers in such specialties as laser optics and advanced electronics not to present their papers at scientific meetings. They have also refused to approve papers on research done under Defense Dept. contracts, even though the work was not classified. Coping with government efforts to curb information is like sculpturing fog," says a frustrated technical society official.

Everything but toothbrushes. The price of such controls is small in light of national security, maintain the zealots at the Pentagon. They contend that the Export Administration Act of 1979 gives them the right to control unclassified scientific information. To decide just what technologies to restrict, Defense Dept. officials are using the Militarily Critical Technologies List, a ponderous, 800-page document that stops just short of including electric toothbrushes. Even Stephen D. Bryen, a Defense deputy assistant secretary who has spearheaded efforts to curb the flow of technical information. admits that "everything is on [the list]; you'd have to lock up the country."

With that broad a mandate, Defense can prevent scientists from giving papers on nearly every subject at conferences abroad. And it can block the delivery of papers at U.S. meetings attended by foreign scientists. But these draconian measures would not provide the solution. "I don't believe the papers themselves are the problem. The problem is that [U.S. scientists and engineers] go off in the corner and shoot the bull with the Russians or anyone else who's there for the wrong reasons," says Richard D. DeLauer, Under Secretary of Defense

for research and engineering.

Hardest hit by the push for secrecy are the defense contractors who make products for both the military and civilian markets. "Advanced, state-of-the-art technology is being affected even though it might have been developed under nondefense work," says one executive. The Defense Dept. "is looking at [technology] which came right out of our civilian research labs," he adds.

CONTENED